

KATE McKENNA, AICP
Executive Officer

BUDGET AND FINANCE COMMITTEE:

Ralph Rubio, LAFCO Commissioner - *City Member (Committee Chair)*

Tom Perkins, LAFCO Vice-Chair - *Special District Member*

Simón Salinas, LAFCO Chair - *County Member*

MEETING NOTES

BUDGET AND FINANCE COMMITTEE MEETING

Adopted on September 28, 2009

Monday, September 14, 2009, 9:30 a.m.

LAFCO Office, 132 Gabilan St., Ste. 102, Salinas, CA 93901

1. CALL TO ORDER

The meeting was called to order at 9:35 a.m. by Committee Chair Rubio.

2. ROLL CALL

Present: Committee Chair Rubio, Commissioners Perkins and Salinas, Executive Officer McKenna, Mike Briley, CPA, Hayashi and Wayland, Les Girard, LAFCO General Counsel, and Rachelle Jones, LAFCO Clerk

Absent: None

3. PUBLIC COMMENT

Attorney, Frank Lunding, provided a letter to the Committee regarding the Carmel Valley Incorporation financial information, and spoke about his concerns with the fiscal viability of the proposed new town. Bill Carrothers distributed foreclosure data sheets from May 2009 and spoke about the financial status of our community, and said that he agreed with Mr. Lunding. Richard Searle, Board Member, Monterey Peninsula Airport District, provided information about proposed development of the district.

4. CONSIDER DRAFT FINANCIAL STATEMENTS FOR JUNE 30, 2009

Mike Briley, CPA, Hayashi and Wayland, provided a report on the draft financial statements for June 30, 2009.

Committee members discussed the draft financial statements for June 30, 2009 with Executive Officer McKenna and Mr. Briley.

Upon motion of Commissioner Salinas, seconded by Commissioner Perkins, the Committee unanimously recommended that the full Commission accept draft financial statements for June 30, 2009.

5. CONSIDER DRAFT FINANCIAL STATEMENTS FOR JULY 31, 2009

Mike Briley, CPA, Hayashi and Wayland, provided a report on the draft financial statements for July 31, 2009.

Committee members discussed the draft financial statements for June 31, 2009 with Executive Officer McKenna and Mr. Briley.

Upon motion of Commissioner Salinas, seconded by Commissioner Perkins, the Committee unanimously recommended that the full Commission accept draft financial statements for June 31, 2009.

6. RECEIVE PROFIT/LOSS BUDGET VS. ACTUALS WORKSHEET DATED SEPTEMBER 2009

Executive Officer McKenna provided informational report on the profit/loss budget vs. actuals worksheet dated September 3, 2009.

Committee members discussed the profit/loss budget vs. actuals worksheet with Executive Officer McKenna.

Upon motion of Commissioner Salinas, seconded by Commissioner Perkins, the Committee unanimously received the profit/loss budget vs. actuals worksheet dated September 3, 2009.

7. CONSIDER UNDERPAYMENT OF CONTRIBUTIONS TO LAFCO

Executive Officer McKenna provided report on underpayments of contributions to LAFCO. LAFCO General Counsel Girard outlined options available to LAFCO regarding underpayment of contributions.

Committee members discussed the underpayment of contributions to LAFCO along with options outlined by General Counsel Girard.

Committee Chair Rubio asked staff to consider all options in a draft policy to be brought back to the Budget and Finance Committee.

Upon motion of Commissioner Salinas, seconded by Commissioner Perkin, the Committee unanimously recommended that the Commission consider various options to address the issue of underpayments to LAFCO, at the September 28, 2009 LAFCO meeting, provide direction to staff, and request that a draft policy to be brought back to the next Budget and Finance Committee.

8. CONSIDER CALPERS 457 EMPLOYEE LOAN PROGRAM

Executive Officer McKenna provided report on consideration of a CalPERS 457 employee loan program.

Committee members discussed the CalPERS 457 employee loan program with Executive Officer McKenna and General Counsel Girard.

Upon motion of Commissioner Salinas, seconded by Commissioner Perkins, the Committee unanimously recommended the draft resolution adopting the CalPERS 457 employee loan program.

9. RECEIVE STATUS REPORT ON AUDIT FOR FISCAL YEAR ENDING JUNE 30, 2009

Executive Officer McKenna provided informational status report on the audit for fiscal year ending June 30, 2009.

The Committee unanimously received the status report on the audit for fiscal year ending June 30, 2009.

10. CONSIDER REQUEST FOR PROPOSALS FOR AUDITOR SERVICES FOR THE PERIOD BEGINNING FISCAL YEAR 2009-10

Executive Officer McKenna provided informational report on the request for proposals for auditor services for the period beginning fiscal year 2009-10, and requested that the Committee appoint a member to assist with the proposal process.

The Committee unanimously received the report, and appointed Commissioner Perkins to assist with the request for proposal for auditor services for the period beginning fiscal year 2009-10.

11. OTHER BUSINESS

There was no further business.

12. ADJOURNMENT

The meeting was adjourned at 10:20 a.m.

Respectfully Submitted,

Rachelle Jones, LAFCO Clerk